Confidential Item

CAMPBELLTOWN CITY COUNCIL

150 YEARS 1868-2018

Confidential Item

For Council meeting to be held on

Tuesday 15 May 2018 at 7.30 pm

Refer Item 11.4

Attachment - Cost analysis

Assumption	Unit	Quantity
Seal (tonne) AC 10 with A10E	tonne	2200
Seal (Tonne) AC 10 with 320	tonne	3700
Edge planning (lm) (EP&CS)	Linear meter	5000
Primmer (Rehabilitation and Reconstruction)	Square meter	2300
Area Profiling to 75mm depth	Square meter	10700
Disposal	tonne	2000
Road flap	unit	250
Severt manholes	unit	100
Sewer IP	unit	100
Fireplug	unit	100

	AAA		Boral		Downer*		Fulton Hogan		Top Coat	
	Rate	**Total**	**Rate**	**Total**	**Rate**	**Total**	**Rate**	**Total**	**Rate**	**Total**
AC 10 with A10E polymer	$ 221.00	$ 486,200.00	$ 213.00	$ 468,600.00	$ 185.17	$ 407,374.00	$ 222.18	$ 488,796.00	$ 190.50	$ 419,100.00
AC 10 with Class 320 binder	$ 189.00	$ 699,300.00	$ 191.00	$ 706,700.00	$ 164.53	$ 608,761.00	$ 186.65	$ 690,605.00	$ 162.50	$ 601,250.00
10mm Primmerseal	$ 10.00	$ 23,000.00	$ 5.10	$ 11,730.00	$ 7.45	$ 17,135.00	$ 7.46	$ 17,158.00	$ 0.75	$ 1,725.00
10mm SAMI Seal S25E	$ 10.50		$ 5.40		$ 8.28		$ 8.69		$ 8.00	
Area Profiling to 30mm depth	$ 2.90		$ 3.00		$ 4.91		$ 2.98		$ 2.52	
Area Profiling to 75mm depth	$ 3.30	$ 35,310.00	$ 3.50	$ 37,450.00	$ 5.61	$ 60,027.00	$ 3.36	$ 35,952.00	$ 2.90	$ 31,030.00
Area Profiling to 100mm depth	$ 3.90		$ 4.30		$ 7.18		$ 4.08		$ 3.57	
Disposal of Profilings	$ 15.00	$ 30,000.00	$ 15.00	$ 30,000.00	$ -	$ -	$ 13.20	$ 26,400.00	$ 9.98	$ 19,960.00
Edge Planning	$ 5.30	$ 26,500.00	$ 4.75	$ 23,750.00	$ 5.22	$ 26,100.00	$ 6.87	$ 34,350.00	$ 3.99	$ 19,950.00
Reflective road flaps	$ 1.00	$ 250.00	$ 0.70	$ 175.00	$ 1.08	$ 270.00	$ 1.02	$ 255.00	$ 1.25	$ 312.50
Sewer manholes	$ 310.00	$ 31,000.00	$ 350.00	$ 35,000.00	$ 464.77	$ 46,477.00	$ 867.90	$ 86,790.00	$ 400.00	$ 40,000.00
Sewer IP	$ 280.00	$ 28,000.00	$ 308.00	$ 30,800.00	$ 441.96	$ 44,196.00	$ 592.90	$ 59,290.00	$ 400.00	$ 40,000.00
Fire plug	$ 410.00	$ 41,000.00	$ 288.00	$ 28,800.00	$ 441.96	$ 44,196.00	$ 867.90	$ 86,790.00	$ 450.00	$ 45,000.00
		$ 1,400,560.00		**$ 1,373,005.00**		**$ 1,254,536.00**		**$ 1,526,386.00**		**$ 1,218,327.50**

*Downer did not provide disposal cost for profiling

CAMPBELLTOWN
CITY COUNCIL

Tender Evaluation Report

Asphalt Road Resurfacing 2018

Cost centre Various

Date: 20/4/18

Prepared by: Andrew King

1. Background

The Campbelltown City Council invited tenders from companies for the supply of Asphalt Road Resurfacing services within Campbelltown City Council.

2. Contract Term

The contract term is for 1 Year (commencing 1/7/18).

Subject to satisfactory performance and any other conditions which may prevail at the time the Council may consider one (1) optional right of renewal of two (2) years each to be exercised at Council's absolute discretion.

3. Procurement Process

3.1. Open Tender Process

Tender were released on the SA Tenders & Contract website (www.tenders.sa.gov.au).

Tenders Opened: 27/2/18
Tenders Closed: 22/3/18 1:00pm

3.2. Document Issued

The document issued is the standard CCC RFT package, (HPE: 18/3681)

3.3. Tender Enquiries

No tender enquiries were received during the procurement process.

3.4. Tender Briefing & Site Visit

No tender briefing or site visits were conducted.

4. Receipt of Tender & Evaluation

4.1. Receipt of Tenders

Tender submission were received from the following companies:

- AAA Asphalt
- Boral Asphalt (SA)
- Downer EDI Works
- Fulton Hogan Industries
- Top Coat Asphalt Contractors

No late tenders were received.

Tenders were opened shortly after the Closing Time by three Council staff that signed and documented the receipt of each tender. (HPE: 18/18646)

4.2. Evaluation Panel

The evaluation Panel consisted of:

- Andrian Wiguna
- Sylvia Soon
- Alex Cortes
- Adrian Forster - Management (WHS System & Insurances) only
- Lisa Gergos - Management (Financial & Economic Stability) only

Each Members of the Evaluation Panel has completed the Tender Declaration Form and declared "No Conflict of Interest" and agreed to keep confidential the contents of each tender. (HPE: 18/24987)

4.3. Evaluation Criteria

The evaluation criteria are as follow: (From tender documents)

Assessment Criteria	Weightings
Relevant Experience & Track Record (Previous work of this type, general reputation for work competence, capacity etc)	20%
Technical Skills & Methodology (People, systems, specific abilities includes appreciation of key issues and tasks)	25%
Management & Time Performance (Organisation, quality system, meeting timeframes)	10%
Management (Work health & safety, acceptable insurances)	7.5%
Management (Financial performance)	7.5%
Local (Products, services & contractors)	10%
Price	20%
Total	100%

4.4. Evaluation Selection

The evaluation was individually carried out by the evaluation panel members and then averaged out on 19/4/18 and the full evaluation matrix is in (HPE: 18/24420)

The summary of the evaluation is below:

Contractor	$	Score
AAA Asphalt	$1,400,560	336.19
Boral Asphalt (SA)	$1,373,005	380.31
Downer EDI Works	$1,254,536	364.05
Fulton Hogan Industries	$1,526,386	354.82
Top Coat Asphalt Contractors	**$1,218,328**	**383.39**

Note: Highest score is best

4.5. Reference Checks

Staff checked the referees of the preferred supplier.

5. Discussion

That all of the 5 submissions for the Tender were detailed and it was a competitive process and, however the below Topcoat Asphalt Contractors stood out from the rest on a number of fronts due to their:

- Understanding of the project
- Well experienced staff
- Quality systems in place
- Project Management Skills
- competitive rates
- relevant experience

It is recommended that Topcoat Asphalt Contractors be awarded the contract to undertake Council's reseal program for the 2018/2019 financial year (with potential 2 years extension). Topcoat Asphalt Contractors successfully delivered similar type projects for Council last year on time and budget without any significant issues. Topcoat Asphalt Contractors have proven to be very flexible in meeting Council's needs and the requirements of the programs whilst minimising the inconvenience to local residents. Furthermore, Topcoat Asphalt Contractors has just recently been acquired by a larger organisation, this has provided Topcoat Asphalt Contractors with additional resources including in the area of research and development to meet future needs and demands whilst still maintaining high quality products at very competitive rates.

6. Financial Implication

There is a total budget of $4.912 million in the Transport Asset Renewal Program (Reseal and Reconstruction) in the draft 2018/2019 Annual Business Plan and Budget.

As part of the budget preparation, an allowance of 3% increase has been incorporated into the asphalt budget. Unfortunately, even with the cheapest tenderer, there has been a significant increase in the actual asphalt price and other associated work (eg manholes/pit adjustment).

The price increase for bitumen price is in the order of 10% whilst the pit adjustment varies between 30% to 200%. The main reason for the asphalt price increase is due to the rise and fall of the bitumen price, increase of utilities costs (gas and electricity). As a result, an approximate additional $50,000 is required to cover the increase of bitumen price and an additional $50,000 for pits adjustment. Staff are of the opinion that it is hard to negotiate the bitumen price, however Staff believe there is a room to improve the price of the manholes/pit adjustment.

7. Terms of Payment

The contractor shall be paid as highlighted below.

Option 3 (Schedule of Rates)

[X] - Where the Contract is a Schedule of Rates the Contractor may at monthly intervals (or as otherwise specified in this agreement) submit a written claim for the works completed /

service delivered.

8. **Financial Sustainability**

The Finance department tender evaluation is part for the final combined assessment.

9. **Recommendation**

That Top Coat Asphalt Contractors be awarded the contract.

10. **Approval**

Endorsed/Approved by:

Signed: _____ Date:_____

General Manager Infrastructure Services

Endorsed
~~Approved~~ by:

Signed: _____ Date: 8.5.17

Chief Executive Officer